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Assistant Director for Research and Reports

25X1A9a [REDACTED] Special Assistant

25X1A6a Summary and Conclusions of Investigation of Intelligence Collecting Agencies - [REDACTED] 25X1A

25X1A6a 1. The purpose of the mission was to explore the various intelligence collection agencies in [REDACTED]. Another principal object was to determine in what manner their efficiency for the collection of foreign economic intelligence and information and the quality of their product could be improved to meet the broad objectives of ORR and to permit ORR to accomplish its mission in providing foreign economic intelligence for national security. In this connection another broad purpose was the formulation of a recommendation for a team of ORR personnel, and its organization, to expedite and assist the various collection agencies by advice and counsel in the collection of foreign economic intelligence; and to act as a clearing house for its prompt transmittal to ORR. An incidental responsibility in connection with the mission was to furnish specific guidance in the form of a report to collection agencies, particularly the economic section of the [REDACTED] at their request through OSI.

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25X1A6a 2. These questions were discussed with [REDACTED] and with various heads of divisions [REDACTED] (particularly those who were being transferred to [REDACTED] new organisation which was then in process of being built up), and their opinions were obtained.

25X1A9a 25X1A9a Mr. [REDACTED] whose staff was being transferred to [REDACTED] was particularly interested in having ORR personnel attached to his division, and apparently had already given the matter considerable thought.

25X1C8d The work of the [REDACTED] - was discussed with the officials in charge.

3. An exhaustive investigation was made of the functions and scope of the intelligence and information collection agencies of G-2 including [REDACTED]

25X1A6a This subject as well as the purpose of my visit was especially discussed with General McClure [REDACTED] The overall conclusion of this investigation is that the scope of their collection efforts is directed principally to their own needs for information on imminence of war, and order of battle and comprises specifically information on communications, transportation, and manpower. A special directive limits collection to these subjects. The other large segments and categories of economic information required for ORR

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needs are not to be collected. This situation, according to General McClure, can be changed only by the Department of the Army. The problem is to allow CIA to cooperate with [REDACTED] intelligence collecting agencies by direct advice and counsel with the object that both their needs and those of ORR directed to national security are served while the reservoir of PW's and pertinent information is still available.

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25X1A2g 4. A conference was held with General Lewis (A-2, USAFE) regarding [REDACTED]. This resulted in an exchange of views and complete information on [REDACTED] operation. 25X1A2g

25X1A6a 25X1A6a 5. The functions and operations of [REDACTED] were explored by a visit and discussion. A complete review of an especially important case is reported here. This was done by request, and the results appear typical. [REDACTED] is in need of continued specialized interrogation guidance, especially in the economic field.

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25X1A9a 6. In a discussion with [REDACTED] which was suggested by [REDACTED] it was stated by [REDACTED] that [REDACTED] could use [REDACTED] and would welcome expert economic guidance in their operations; he 25X1A9a 25X1A8a went further in stating that he could use such a man full time on his own staff. [REDACTED] specifically advised that I discuss the problem of an ORR team with [REDACTED]. The latter without question 25X1A9a had already considered the matter as he stated at the outset that our men were to be attached to the [REDACTED] under [REDACTED] which, 25X1A9a after my return to Washington, I found to be connected with [REDACTED] 25X1A8a

25X1A6a 25X1A9a However on further discussion, [REDACTED] agreed that the ORR team should retain its flexibility so that it could advise all collection agencies in its field and that it should have freedom to report directly to [REDACTED] instead of an intermediary and to com-

25X1A9a 25X1A8a municate with ORR. One important outcome of this discussion was the question I raised that no one was collecting certain publications which were not generally distributed or available to us but were very important for our work. [REDACTED] said that [REDACTED] in- 25X1A8a cluded this function in their activities but that CIA [REDACTED] did not provide this service. He agreed it was important and volunteered the statement that we appeared to be in agreement in all respects. In

25X1A9a 25X1A8a a meeting with [REDACTED] on my return from [REDACTED] he 25X1A8a commented on this question by stating that, while this type of collection would cut across their assigned functions, they were not inclined to do this work; thus creating a dilemma.

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7. In a final conference with [REDACTED] it was pointed out that there is a decided lack of specific guidance in specialized fields among the intelligence collection agencies particularly in the field of economic intelligence. It was also emphasized that the proposal, as expressed by [REDACTED] to attach an ORR Economic Team to the [REDACTED]

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25X1A9a under [REDACTED] has merit only if his group furnishes administrative support in the form of clerical assistance, transportation, communications, and administration generally, also that the organization in any event would have to have free access for cooperation with the various collection agencies on the one hand and freedom to contact [REDACTED] and that preferably the head of the team (or coordinator) should be a member of his staff.

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25X1A9a [REDACTED] organization, even in its incipient stages, appears to be developing in the direction of a small CIA pattern, and from later information this was being further crystallized in this direction. In summing up the overall situation to [REDACTED]

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25X1A9a [REDACTED] as set forth above, including my discussion with [REDACTED] 25X1A9a  
25X1A9a [REDACTED] upon whom he appeared to rely principally, these 25X1A8a thoughts were crystallized and recommended to him by stating simply that any organization to be effective must be free to advise and cooperate directly with the collecting agencies on the one hand and have free access to advise and counsel him directly instead of passing through a group or individual (e.g. [REDACTED] who with all due respect 25X1A9a did not understand the problems of foreign economic intelligence and the needs of ORR. It was recommended specifically that the head of the economic team be a member of his staff. Also that the ORR team should not be subordinate to any other group, but if attached then it should be only for administrative support and assistance. In addition to their functions as advisors the team would stimulate the collection of information of overt and semi-overt nature not now being collected by any agency, and they would act as a clearing house for all foreign economic intelligence originating in foreign countries to facilitate its prompt transmission to ORR.

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8. The overall experience of OSI under [REDACTED] has amply confirmed the above conclusions. The question of organization within the team is something for further consideration. At the outset it would consist of a small group of "experts" (about five), e.g., each representing a division in ORR with a coordinator; and with administrative and clerical support and transportation facilities. It ultimately should follow very much along the lines of the present OSI organization, which is made up of an Analysis, a Contact, and a Reports Branch. The Analysis Branch would have specialists assigned to assist [REDACTED] etc. The Contact Branch would assist in utilizing the same specialists or similar ones at the

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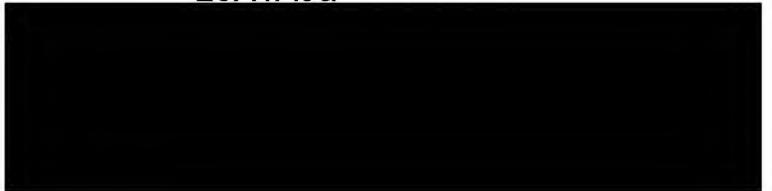
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various contact locations  
25X1A6a [redacted] etc.) to help [redacted] and others in covert and semi-covert 25X1A8a activities. The Reports Branch with editors, interpreters, file clerks, typists, etc., would be employed for the forwarding of materials. Transportation facilities, clerical and stenographic assistance, and administrative support would have to be made available at the beginning. A complete clarification of [redacted] 25X1A9a proposed organization, as well as the high-level operating plans and instructions for the European Division of CIA must be known before the precise position of ORR's team can be defined: that is whether his organization is to be an extension of [redacted] or whether it 25X1A8a is to be a small image of CIA. In the latter case, the ORR team should have independent status in the same manner as the other divisions.

9. A twenty-two page guide to Foreign Economic Intelligence  
25X1A6a requirements was drawn up while in [redacted] and copies were left by  
25X1A6a request with [redacted] 25X1A9a  
25X1A9a [redacted] and OSI.  
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10. A separate report is being made on my visit to [redacted] regarding  
25X1A operation of the [redacted]

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